

First Friday Hot Issues Summary – November 3, 2023

What We Want You to Know

Disaster

In [Notice 2023-71](#) [PDF](#), the IRS provided relief to certain taxpayers who, due to the terrorist attacks, may be unable to meet a tax-filing or tax-payment obligation, or may be unable to perform other time-sensitive tax-related actions. The IRS will continue to monitor events and may provide additional relief. [Tax relief in disaster situations | Internal Revenue Service \(irs.gov\)](#)

PTIN Renewal

PTIN renewal open season began **mid-October** for the following year. You can renew online by logging into your PTIN account or by submitting a paper Form W-12 with the "Renewal" box checked. Online renewal takes about 15 minutes, but paper renewals take 4-6 weeks to process. [Contact the Return Preparer Program | Internal Revenue Service \(irs.gov\)](#)

EA Renewal

EA renewal to maintain enrolled agent status is every 3 years based on last digit of SSN. The November 1, 2023 - January 31, 2024, renewal cycle is for SSNs ending in 7, 8, 9, or no SSN (view [Circular 230](#), Section 10.6(d) for details) Applicable EAs must renew by January 31, 2024, to ensure they receive their new enrollment card before their current enrollment expires on March 31, 2024. More information about the enrolled agent program can be found at [IRS.gov/ea](#). [Maintain Your Enrolled Agent Status | Internal Revenue Service \(irs.gov\)](#)

Inflation reduction energy credits!

Eligible contractors who construct or substantially reconstruct and rehabilitate qualified new energy efficient homes may be allowed a tax credit of up to \$5,000 per home. The amount of the credit depends on eligibility requirements such as the type of home, the home's energy efficiency, and with respect to multifamily dwelling units, whether prevailing wage requirements are met.

[IRS: Builders of qualified new energy efficient homes may qualify for an expanded tax credit under Section 45L | Internal Revenue Service](#)

Tax Pro Account Improvements:

The IRS continues to expand the [Tax Pro Account](#) capabilities that allows tax professionals access to new services to help their clients. The newest additions will allow tax professionals to view their client's tax information, including balance due amounts. Tax Pro Account users can now also withdraw from their active authorizations online in real time. [IRS delivers new capabilities to Tax Pro Account; latest expansion part of effort to improve technology, tools to help tax professionals serve clients | Internal Revenue Service](#)

Extension of temporary flexibilities for electronic signatures and encrypted email

The Internal Revenue Service announced that it has extended certain temporary flexibilities. The acceptance of digital signatures is extended indefinitely until more robust technical solutions are deployed, and encrypted email when working directly with IRS personnel has been extended until Oct. 31, 2025.

[IRS extends popular flexibilities set to expire; Electronic signatures and encrypted email enhance the taxpayer experience | Internal Revenue Service](#)

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Webinars

Look out for the replay of the ERC Webinar; [Employee Retention Credit: Latest information on the Moratorium and Options for Withdrawing or Correcting Previously Filed Claims \(irsvideos.gov\)](#) it's very informative. If you have missed *any* previous webinars, don't worry. After about 3 weeks they are available on the [IRS Video portal](#). Don't forget to bookmark these pages and visit them regularly so you won't miss out on any great webinars.

Tax Forums

The Tax Forum 2023 presentations are online. Tax Pros can get credit if they pay. [Presentations from the 2023 IRS Nationwide Tax Forums | Internal Revenue Service](#)
Tax professionals who missed the 2023 IRS Nationwide Tax Forums last summer are now able to view and earn continuing education credits for 18 of the most popular seminars presented there.

For a fee of \$29 per seminar, CPAs, Enrolled Agents and Annual Filing Season Program participants taking the seminars can earn continuing education credits. To earn credit, users must create an account, answer review questions throughout the seminar and pass short tests at the end of the seminars.

Hiring Update:

IRS is hiring continue to check [IRS Events | IRS Careers](#) page for the dates of all the In-person Hiring events and information sessions. jobs.irs.gov/careers
[USAJOBS - The Federal Government's official employment site](#)

Taxpayer Advocate

[Get help - Taxpayer Advocate Service \(irs.gov\)](#)

WISP REMINDER

Federal Trade Commission regulations require professional tax preparers to create and enact security plans to protect client data. See IRS [Publication 5293, Data Theft Resource Guide for Tax Professionals](#), for a roundup of IRS.gov information. Scammers use many means to trick you into giving up computer passwords, e-Services passwords, to steal your EFINs or CAF numbers or even to take remote control of your entire computer system.

Auto Dealers May Sign Up NOW

[Clean Vehicle Credit Seller or Dealer Requirements | Internal Revenue Service \(irs.gov\)](#)

The Inflation Reduction Act (IRA) provides taxpayers with credits for qualified new and previously owned clean vehicles acquired and placed in service during the taxable year. Beginning Jan. 1, 2024, in certain situations, taxpayers will be able to transfer the new and previously owned clean vehicle credits (CVC) to eligible dealers at the time of sale with an option to use the credit amount as a down payment. To participate, dealers must register with the IRS. Specific eligibility rules apply to both the dealer and buyer. Answers to questions regarding the registration process can be found on irs.gov at [Registering a Dealer/Seller: Seller Reporting and Clean Vehicle Tax Credit Transfers](#) (FAQ Question 18) or customers may call 1-800-829-1040 (prompt 2/5/1) for additional general dealer registration questions.

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Prior Issues:

[Login.gov on EFTPS](#)

Issue: Requirement to use ID. Me or Login.gov to access EFTPS.

Response: Tax Pros can utilize EFTPS once they set up Login.gov or ID. Me account. The login has changed but nothing else (authorization/access to client accounts). Here is some additional info from the [FAQs](#) EFTPS.

Status: Closed

[Contact CAF Unit](#)

Issue: Multiple CAF issues, practitioners requesting direct access to the CAF UNIT.

Response:

Official IRS Response:

A separate dedicated phone line for CAF is not feasible; however, the Practitioner Priority of contact for assistance regarding account related issues. PPS assistors are fully prepared to assist tax practitioners with CAF issues, which includes existing CAF issues.

When a completed Form 2848/8821 is provided to a PPS assistor, and a CAF number has not been established, the assistor will perform authentication. Once authentication has been met, the Customer Service Representative can assist with resolution of the issue. At that point, the authorization is sent to the CAF Function to be processed and a CAF number is assigned. A CP547 is generated to the practitioners address of record.

The agency is currently working to add the feature for Tax Professionals to establish a new CAF number on-line through their Tax Pro Account.

Status: Closed

New Issues:

[Tax Pro Account – error](#)

Issue: A practitioner wants to submit a F2848 from the Tax Pro Account, noticed that a selection beyond tax year 2020 was not available.

Response: Tax Pros can request authorizations for calendar year filers for periods from the last 20 years through the current year, plus 3 future years [Tax Pro Account | Internal Revenue Service \(irs.gov\)](#)

Status: Elevated

[Taxability of Arizona rebate](#)

Issue: The state of Arizona is currently in the process of issuing a one-time individual income tax general welfare rebate, (Arizona families tax rebate). The taxability of the rebate is determined by the Internal Revenue Service. How should these payments be treated for tax purposes?

Response: Submitted issue for IRS Counsel guidance

Status: Open

[MeF shutdown](#)

Issue: When will the production shut down for F1040?

Response: 1040 MeF Production Shutdown Schedule- Shutdown begins on Saturday, November 18, 2023, at 11:59 p.m. Eastern time, to prepare the system for the upcoming Tax Year 2023 Filing Season. **Important Note:** Business (BMF) returns are not impacted by this IMF Production Shutdown schedule.

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The BMF Production Shutdown schedule will be communicated in a Quick Alerts bulletin, outlining the exact timeframes, in early December and the times will be posted on the MeF Operational Status page. Please monitor the [MeF Operational Status](#) page for any updates.

Status: Closed

Erroneous 5071C

Issue: Taxpayer received a Letter 5071C (5/31/2023) inquiring about a 2022 1040 tax return the IRS received, however taxpayer has not filed their 2022 tax return. Taxpayer completed the online verification process to notify the IRS that this was a fraudulent return. Tax later filed their 2022 and received an e-file error that the primary SSN has already been used. Is there any workaround for this so that the taxpayers can e-file? Or must they paper-file?

Response: Once an SSN has been used to efile a return that SSN will not be accepted on any subsequent e-filed return. The return must be paper filed.

Status: Closed

ERC claim not paid

Issue: Tax pro client filed amended 941 for an ERC claim over year ago and it has not been paid. How can Tax Pro check the status of the claim.

Response: TAS recommends calling IRS at (800)829-1040 to check status. If the status of the return cannot be clarified, contact TAS at (877)777-4778.

Also, review information regarding the Moratorium

[To protect taxpayers from scams, IRS orders immediate stop to new Employee Retention Credit processing amid surge of questionable claims; concerns from tax pros | Internal Revenue Service](#)

Status: Closed

Feedback

Issue: Will we get feedback from our feedback?

Response: In most cases we don't get direct feedback regarding your comments, there have been many changes and improvements due to your feedback. I encourage all to continue providing feedback as you become an integral part of moving the Internal Revenue Service forward!

Status: Open Indefinitely

Linking CAF to ID.Me

Issue: Practitioner has a CAF and has made several attempts to get ID.Me set up within my Tax pro account. The system told me a PIN letter will be sent and I have requested it twice. I am still awaiting the letter. Is there any assistance with this?

Response: The Internal Revenue Service does not own or manage ID.Me. If you have problems visit <https://help.id.me/hc/en-us> select "Help Center" at the top right of your account. There will be a Search feature and a list of Troubleshooting Topics for you to choose from.

Status: Closed